

Message Text

LIMITED OFFICIAL USE

PAGE 01 KUALA 02339 020521Z

11/73

ACTION EA-10

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 PA-01 PRS-01 USIA-06

AGR-05 L-02 /074 W

----- 129123

R 301033Z APR 75

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC 9731

INFO AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY BANGKOK

AMEMBASSY KJAKARTA

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

LIMITED OFFICIAL USE KUALA LUMPUR 2339

C O R R E C T E D C O P Y (EO, TAGS, AND SUBJECT LINES)

E.O. 11652: N/A

TAGS: ECON EINV MY

SUBJ: PM RAZAK'S APRIL VISIT TO EUROPE: PRIMARY INTEREST IN
FURTHERING MALAYSIA'S ECONOMIC AND COMMERCIAL OBJECTIVES

1. DURING APRIL 1975, PM RAZAK MADE THREE-WEEK VISIT
TO LONDON, STOCKHOLM AND PARIS, BEFORE GOING TO KINGSTON
FOR COMMONWEALTH CONFERENCE. DURING HIS EUROPEAN STOPS,
EMPHASIS WAS PLACED PRIMARILY ON MALAYSIA'S
ECONOMIC AND COMMERCIAL OBJECTIVES, SPECIFICALLY INCREAS-
ING EXPORTS AND ENCOURAGING FOREIGN INVESTMENT.

2. PRINCIPAL FEATURES OF LONDON TALKS REPORTED SEPTTEL
(KUALA LUMPUR 2104). IN STOCKHOLM PM WELCOMED SWEDISH
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KUALA 02339 020521Z

INVESTMENT EMPHASIZING FAVORABLE INVESTMENT CLIMATE IN

MALAYSIA.

3. SPECIAL ATTENTION GIVEN TO FURTHERING FRENCH-MALAYSIAN ECONOMIC AND COMMERCIAL RELATIONSHIP INCLUDING FOLLOWING ACTIONS:

A. ON APRIL 24, PM RAZAK SIGNED INVESTMENT GUARANTEE AGREEMENT AND DOUBLE TAXATION AGREEMENT WITH FRANCE. DETAILS OF INVESTMENT AGREEMENT NOT KNOWN BUT ASSUME IT FOLLOWS PRESENT MALAYSIAN PATTERN OF PRECISE DEFINITION OF NATIONALITY OF INVESTMENT COVERED. KEY ELEMENT OF DOUBLE TAXATION AGREEMENT UNDERSTOOD TO BE TAX-SPARING PROVISION WHICH EXEMPTS COMPANY FROM PAYMENT OF HOME-COUNTRY TAX ON THAT PART OF INCOME EXEMPTED BY RECIPIENT COUNTRY AS INVESTMENT INCENTIVE.

B. IN SPEECH AT SIGNING CEREMONY, PM CONFIRMED GOM POLICY TO DIVERSIFY SOURCES OF FOREIGN INVESTMENT WITHOUT DETRIMENT TO TRADITIONAL SOURCES, NOTED PARTICULAR INTEREST IN EXPORT-ORIENTED, LABOR-INTENSIVE, AGRO-BASED AND RESOURCE-BASED INDUSTRIES AS WELL AS TECHNOLOGICALLY-ORIENTED INVESTMENTS WHICH LEND THEMSELVES TO BACKWARD AND FORWARD INTEGRATION WITH EXISTING INDUSTRIES.

C. PM ANNOUNCED THAT INVESTMENT PROMOTION CENTER WOULD BE OPENED IN PARIS. AT PRESENT, ONLY CENTERS IN EUROPE LOCATED IN LONDON AND DUSSELDORF.

D. PRESS REPORTS FRENCH LOAN ON ORDER OF US DOLS 30 MILLION FOR DEVELOPMENT PROJECTS BUT DETAILS NOT YET KNOWN.

E. PM'S PRESS SECRETARY RELEASED STATEMENT THAT, IN DISCUSSION OF RUBBER STABILIZATION SCHEME, FRENCH EXPRESSED "FULL UNDERSTANDING AND SUPPORT FOR APPROACH WHICH GOM HAS TAKEN."

4. COMMENT: GOM INTEREST IN ATTRACTING FRENCH INVESTMENT CONSISTENT WITH ITS INVESTMENT POLICY AND UNDERSTANDABLE SINCE PRESENT AMOUNT FRENCH INVESTMENT IN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KUALA 02339 020521Z

MALAYSIA IS NOT SUBSTANTIAL. WOULD APPRECIATE ANY FEEDBACK FROM PARIS REGARDING FRENCH VIEW OF RUBBER SCHEME.
UNDERHILL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, RUBBER, MINISTERIAL VISITS, FOREIGN INVESTMENTS, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 30 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975KUALA02339
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750154-0390, D750152-0812
From: KUALA LUMPUR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975044/aaaaadhv.tel
Line Count: 110
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 21 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 MAY 2003 by BoyleJA>; APPROVED <22 MAY 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PM RAZAK'S APRIL VISIT TO EUROPE: PRIMARY INTEREST IN FURTHERING MALAYSIA'S ECONOMIC AND COMMERCIAL OBJECTIVES
TAGS: ECON, EINV, PFOR, MY, (RAZAK, ABDUL)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006